



November 10, 2016

House Elections Committee,
State Capitol,
Lansing Michigan

RE: Historical Documents to Accompany Testimony of Patrick L. Anderson

- 1. History of Term Limits in Michigan (1995)**
- 2. Interview with Author of Term Limits Amendment (2003)**

A Brief History of Michigan's Term Limit Amendment

Prepared by Patrick L. Anderson, Steve Mitchell, Alan Schmid and Glenn Steil

Early Years

In what may have been the first term-limits group in modern times, Alan Schmid formed Taxpayers United for Term Limitation in the early 1980s. He had with him Dick Headlee, Joel Welty, Harry Veryser, Jan Van Andel, Bill Shaker and many others. A Term Limits Petition drive in 1980-81 obtained 180,000 signatures, but fell short of making the ballot. Another petition drive was carried on by Alan Schmid in 1988, again falling short of the necessary number to make the ballot.

Drafting of the 1992 Amendment

Numerous people were interested in a term limit petition drive in 1990 and 1991. During this time, at least two groups emerged as having serious intentions: one led by the late Dick Jacobs on the west side of the state ("Taxpayers Association of Michigan"), and one led by Alan Schmid in Saginaw ("Taxpayers United for Term Limits") for the third time. In January, 1991, two draft amendments were circulated, which found their way to Patrick Anderson at Alexander Hamilton Life Insurance Company, where he was working for Richard Headlee. Anderson, with Mr. Headlee's encouragement, drafted an amendment based on the twenty-second amendment to the U.S. Constitution, which limits the number of terms a U.S. President can serve. He then drafted a five-page letter to Mr. Jacobs and Mr. Schmid, dated February 21, 1991, which set forth a Michigan Term Limit amendment, and discussed various considerations.

The main considerations included: the number of terms; the effective date; to which offices the limits applied; how to handle partial terms; the knotty problem of when to start counting the terms, with special attention to terms already underway; and where to place them within the Michigan Constitution. The letter was then widely circulated among individuals in the term limit movement, and was ultimately used as the basis for the petition. This can be seen by the fact that the petition adopted the general wording for the limitations ("No person shall be elected [to the office of] state senate more than two times"); the number of terms (with a modification on State Representatives); the effective date; how to handle partial terms; and did not include other items (like pension and civil office restrictions) that were rejected in the Anderson draft. The west Michigan group, however, did make some additions to the Anderson draft. These included adding an explicit severability clause and an instruction clause.

Initial Circulation

Around August 1991, another group, with assistance from Citizens for Congressional Reform (CCR), out of Washington, took the lead in the petition circulation. This group was led by Glenn Steil, a Grand Rapids businessman and now a State Senator. Mr. Steil, along with Ms. Terri Land and Dominic Vincentini, managed the successful petition-gathering phase of the campaign, with the assistance of Tim and Tish Purdy, two organizers now moved back to their home on the eastern seaboard.

General Election Campaign

After the petitions were turned in, but before the amendment had been certified by the Board of State Canvassers and officially placed on the ballot, a number of us became extremely concerned that the committee that had successfully managed the petition-gathering phase was not ready for what looked to be a very rough, general election battle. Glenn Steil, leading the west Michigan group, came to the same conclusion. We met in Mr. Headlee's office one fateful day in July, 1992, to plan the general election campaign. The meeting included Richard Headlee, Tom Ritter, Glenn Steil, Eric O'Keefe, Howard Rich and myself. This led to organization of an entirely new ballot question committee, which was created out of the old Taxpayers United for Term Limits, started by Alan Schmid over a decade before. The Co-Chairs for this effort were Glenn Steil and Richard Headlee. Patrick Anderson served as the Vice-Chairman for the campaign and worked on a day-to-day basis with our campaign manager, Steve Mitchell. A September 4, 1992 internal campaign document lists board members as follows: Jay Van Andel, Rev. Keith Butler, and Paul McCracken, Honorary Co-Chairs; Richard Headlee, Glenn Steil and the late Edgar Prince as Co-Chairs; Bruce Elder, Thomas Ritter, Ronna Romney, Dominic Vincentini, Thelma Castillo-Dominguez, Dr. Will C. Fielke, and myself as Vice Chairs; Kuhlman Fluehr, Terri Land, Jim Mitchell, Harry Veryser, Joe Turinsky and Gil Ziegler as Directors; Alan Schmid as Treasurer, and Steve Mitchell as Executive Director.

This "Say Yes to Proposal B" committee began the campaign in earnest. Steve Mitchell and Patrick Anderson banged out a proposed ballot description language on borrowed personal computers in Houston at the national Republican convention, and fought for its adoption at the Board of State Canvassers meeting shortly thereafter in Lansing. This turned out to presage an incredibly mendacious campaign against the initiative by its opponents, in which they sought to avoid the term limitation issue entirely. This battle began by even refusing to allow us to describe the term limitation amendment as "a proposal for term limitation" on the ballot itself. The compromise description mostly followed our draft, but called it a proposal to "limit/restrict the number of times" a person could get elected.

The anti-term-limits campaign turned out to mimic one that the anti-term limitation folks had run in Washington state the previous year. Fortunately, Steve Mitchell, with some help from our friends at U.S. Term Limits, very acutely dissected the anti-term limits plan. The opponents' material said that the term limit campaign was a "plot" by "out-of-state oil billionaires" to "drain the Great Lakes", "legalize prostitution", and all kinds of other nefarious activities. To add insult to injury, the anti-term limitation campaign was run by a woman from Arizona, from rented

quarters in Lansing! In a December 4, 1992 memo to Richard Headlee, Anderson, calculated that only \$2,020 of the approximately \$400,000 spent by the "Michigan Citizens Against Term Limits" and their sister committee, was contributed by individual citizens.

However, with a lot of help from other folks around the state, including George Romney, Kuhlman Fluehr, Terri Land, Alan Schmid; and out-of-state folks (unfortunately not oil billionaires), Howard Rich, Eric O'Keefe, and Cleta Mitchell, we were able to prevail with 60 percent of the vote. Published reports on the campaign include a Wall Street Journal editorial on Friday, November 6, 1992; an article in the November 15, 1992 issue of Insight magazine; and many commentaries and news articles in the Michigan Press.

Post Election

After the election, a number of us met to discuss how best to ensure that the amendment was properly enforced. One of those steps was to insist on the official transmittal letter from the Department of State to the Department of Management and Budget, certifying the language of the amendment. (A mix-up in this area left a portion of the 1978 "Headlee" amendment out of the State's official Michigan Manual for over a decade!)

As the legal challenges to the limit on Congressional terms mounted, Governor John Engler filed an amicus brief in favor of the citizens' rights to term limits, the only Governor to do so. The U.S. Supreme Court then ruled against the citizens' rights to limit Congressional terms through their state constitutions.



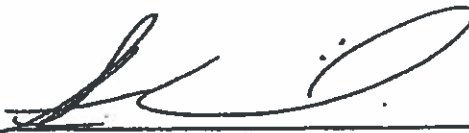
Glenn Steil, Co-Chair



Patrick Anderson, Vice-Chair



Alan C. Schmid, Treasurer



Steve Mitchell, Executive Director

September 25, 1995



Michigan Information & Research Service, Inc.

QUOTE OF THE DAY:

"There was no wool over their eyes. They understood the question perfectly."

— Patrick ANDERSON of the Anderson Economic Group stating that the voters knew exactly what they were doing when they adopted term limits.

Tuesday, August 19, 2003

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Capitol Capsule

Personalities In Politics: A Conversation With Patrick Anderson

Patrick ANDERSON, of the Anderson Economic Group (AEG) drafted the 1992 term limit ballot initiative which the voters of Michigan passed by a large margin.

With the recent legislative proposals to extend terms and claims by lawmakers and lobbyists that the term limit law is failing as a back drop, MIRS interviewed Anderson on Monday afternoon. The following are excerpts from that interview.

Q. These complaints we're hearing about term limits; are they just growing pains or are people having trouble adjusting?

A. I don't hear many complaints. All I hear are grumblings from the same 10 square blocks where complaints have always come from concerning term limits. And that 10 square blocks is right around the Capitol area.

The people supported term limits strongly in 1992, and passed term limits with a 59 percent margin. They continue to support it. All the recurring polls show that 70 percent or more support it.

I have heard nothing from the people as a whole to indicate that they think they made a mistake, either when they adopted term limits at the national level or the state level.

Q. Was the idea behind term limits that we'd simply have a recurring influx of new lawmakers who would have to learn the old system quickly? Wasn't there an implicit idea that term limits would ultimately change the system, by making it more responsive and maybe more transparent?

A. I thought while drafting the term limits amendment that term limits would change the system and make it more responsive. So, I understood then that it would make it harder to lobby the Legislature. I knew that it would force you to tell your story, if you were an interest group, many times.

I knew that it would be hard for you [an interest group] to rely on past campaign contributions, or things that had been done 10 years ago. I knew that it would make it harder for both groups that I supported and for groups that I didn't support. My thinking was shared by the group of people that put term limits on the ballot, and I think it was also understood by the people.

All the people knew was that term limits meant that the same person couldn't run for the same political office an unlimited number of times. Of course, they understood that meant some legislators they liked would be leaving as well as some legislators they didn't like would be leaving.

There was no wool over their eyes. They understood the question perfectly. They decided that they were willing to accept that some experienced and productive lawmakers would be leaving their posts, along with some who weren't so productive. But they believed fresh ideas and new blood would provide benefits that far exceed the costs.

MIRS Inside

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Q. There is an anti-term limit group that early-on, as far back as 1999 or 2000, began stating that term limits had already failed and began working toward extending or ending term limits. Should there have been somebody out there from the other side of the issue looking into how to change the system in response to term limits?

A. The Legislature that was sitting when term limits was passed resisted accepting the verdict of the voters for years. When they came upon 1998, there was a collective panic. One of the results of that was the behind-the-scenes support of the Wayne State University lawsuit. I found that situation to be really meretricious (falsely attractive). Here you had taxpayer-supported institutions suing the state to try to get the Constitution overturned.

The people never blinked on that. Once the old House left, amazingly, the newly-elected House was able to continue to do the people's business without any major dropping of balls.

Q. On the political angle, we did see what many people considered an ugly situation last year where an inordinate number of House members, it seemed, were running or looking at running for senate seats. Is that just part of the transitional adjustment? Do you see that dynamic settling a bit in the future?

A. I think there is always going to be human ambition, vanity and desire for higher office. That operates in any capitol building in every state in the union. That's the way it's been since the founding of the Roman Empire and that's going to be there long after this Capitol building in Lansing has turned to dust.

It's a factor of human nature. What term limits does is not reform humans, it just puts a brake on human politicians.

Q. What about this situation we keep hearing proponents of extending term limits refer to where new lawmakers come in and, before casting a single vote on legislation, start positioning for a possible run at leadership positions, or running for Speaker?

A. Again, I never imagined that term limits would change human ambition. That would require powers far beyond a ballot initiative.

Q. This year, some observers might argue that there has been, at times, a lack of focus on other issues, as a result of some key lawmakers being pre-occupied with the idea of ending or extending term limits. What's your thinking on that?

A. One thing that I think has hurt the Legislature is an occasional preoccupation with extending their own tenure. This notion of debating *sotto voce* [in whispers] whether we can get a term limit amendment on a special ballot is a prime example of a Legislature not doing what they were elected to do.

The fact that it isn't going anywhere is some indication that there are some wise minds in the Legislature who are telling their colleagues, "get back to business."

Q. Isn't there an array of built-in disadvantages for lawmakers to promote a ballot provision such as the one we heard described in recent weeks?

A. I hear legislators saying that they've been very productive and they're proud of their accomplishments and they're serving their constituents. They send newsletters home announcing their successes. How can they now say they're incompetent and don't know what they're doing?

Q. As term limits continue, do you see them really changing the process? Would that be a matter of having a certain class (in terms of the year first elected) or individuals that are interested in changing the system?

A. I think that now, 2003, is the first year that we've had term limits fully in effect. We have a new House, a new Senate and a new executive branch. So now is when you'll begin to see the real adjustment.

I think that the way the legislative leaders and the Governor, who are from different parties, finally came together on a budget is an example that, with a term limited environment, we can do what needs to be done, however messy it may seem.

I'd also add that the new state-elected officials, Attorney General Michael COX, Secretary of State Terri LAND, and Gov. Jennifer GRA-NHOLM are all quality people. If we hadn't had term limits there's a good chance that the incumbent in every one of those jobs would have tried to stay in longer.

So I think here in 2003 we should be grateful that we have new leaders like Granholm, Cox and Land, as well as relatively new leaders in the Legislature like Senate majority Leader Ken SIKKEMA (R-Wyoming) and House Speaker Rick JOHNSON (R-LeRoy). They are being able to get their jobs done. Term limits set the stage for every one of those people.

Q. If there is an amendment to expand terms limits on an upcoming ballot, how would opposition fight it?

A. Michigan citizens collected signatures for the term limit initiative and Michigan citizens drafted it. We did get support from term limit advocates from around the country, and since that time, when there's been an effort by people close to the government to overturn the amendment, we have gotten continued support from people out of the state.

I would anticipate that if we were forced to run a campaign we would again get some assistance, or there may be a separate campaign committee.

If something was placed on the ballot I think there would be a high likelihood that there would be complete agreement between large groups here in Michigan and large groups outside Michigan. That would be [agreement] to let the people know that this was something that was being done directly over their expressed instructions in 1992. And we would let people know that this was something that was done completely contrary to their interest and done by self-interested parties.

I assure you that that would happen. There would be no silent election that no one knew anything about.

Revenues Down \$150 Million

Wrong again. Turns out the Revenue Estimating Conference folks last May were overly optimistic again in predicting a turnaround in state revenues.

In an e-mail sent to the four legislative leaders, the Senate Fiscal Agency (SFA) said state tax collections during the summer were down by \$150 million. The May forecast predicted incoming revenue would be up by that amount.

"We are not clearly, by looking at state revenue collections, in a recovery. Collections in May, June, and July were down and that means in no way shape or form are we in a recovery in terms of state revenue collections," said SFA Director Gary OLSON.

While the sales tax on vehicle sales was up 3 percent during July, the major sources of state revenue — the income, sales and single business tax — were off 9, 9 and 16 percent, respectively.

Overall tax collections were down almost 10 percent. That raises the prospect of another round of state service reductions, but it is too early to speculate on an executive order although it can not be ruled out, based on these numbers.

Olson blames the state's jobless rate which continues to climb coupled with the number of hours worked being down which reduces the state's take on the withholding tax.

On the brighter side Olson believes the impact of last weekend's power blackout will have "a pretty marginal" impact in terms of overall state revenue. He said the fact that autoworkers will be paid for the time off would help income tax collections.

"Every little bit helps," he observed.

Given these latest findings Olson said there may be a call for another revenue estimating conference at the end of the summer rather than waiting for the regularly scheduled meeting set for January. No final decision on that, but it's being considered.

The state's original projected balance for the end of Fiscal Year (FY) 2003 is \$360 million, giving Budget spokesman Greg BIRD ground to say today that, "We will close '03 in the black. If, and I emphasize 'if,' there is a problem or to the

